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PART--I-- Orders and Notifications by the Government of Tripura, The High Court, Government Treasury etc.

Government of Tripura
Food Civil Supplies & CA Department

No.F.4-28(122)-PP(PD)-DF/2026/3432 Dated, Agartala, the 2nd July, 2026.

Notification

Subject: Introduction of 'The State Paddy Procurement (Allocation and Milling) Policy 2025'.

The Council of Minister has accorded approval to the Policy called "The State Paddy Procurement (Allocation and Milling) Policy, 2025" as per details appended with this Notification.

2. The Policy shall be applicable for all stakeholders of the eco-system of the Paddy Procurement Operation like Farmers, Rice Millers and Transporters etc. The Policy shall come into effect from the date of Notification within the whole State of Tripura and shall remain in force till further revision or modification by the State Government.

3. This is issued as per approval of the Competent Authority.

(Sumit Lodh, IAS)
Addl. Secretary to the
Government of Tripura

Government of Tripura
Food Civil Supplies & Consumer Affairs Department

STATE PADDY PROCUREMENT (ALLOCATION & MILLING) POLICY

A. Introduction:

Under this model, the State Government will introduce a Paddy Milling Incentive Scheme to ensure active participation of local rice mills in milling the paddy procured by the Government of Tripura during each procurement season. The following Standard Operating Procedure (SOP) will govern the incentives to be provided to the rice mills.

B. Registration & empanelment of Rice Mills:

Rice mills intending to participate in the milling process must register and empanel themselves on the State Procurement Portal. During registration, the rice mill must upload the following documents to establish eligibility:

Eligibility Criteria

- Valid FSSAI Registration
- Valid Pollution Clearance Certificate
- MSME Registration (Udyam Certificate)
- Installation Certificate from the FRK supplier
- Income Tax Returns for the past three financial years
- Updated Electricity Bills for the last three months
- GST Registration Certificate
- PAN Card
- Self-declaration confirming the availability of minimum infrastructure as per Annexure-I, submitted in the format at Annexure-II
- Proof of installed milling capacity
- Installed fortification unit and quality-testing facilities
- Self declaration stating no history of delay, default, or non-compliance in previous procurement seasons, to be submitted in Annexure-III.

Registration Fee

A non-refundable fee of ₹10,000 must be deposited in the Department's designated bank account at the time of registration.

Inspection by the Department

A team of officers from the FCS & CA Department will visit and inspect each rice mill to verify:

- Operational capacity
- Physical infrastructure
- Quality control systems
- Fortification and testing facilities

A detailed inspection report will be submitted to the Department based on which the registration will be allowed by the department.

Annual Renewal

Each rice mill must renew its registration annually based on:

- Performance in previous seasons
- Compliance history
- Upkeep of infrastructure

Clarification

Registration does not guarantee allocation of paddy. Allocation will depend solely on the State Government's procurement decisions for a particular season.

Security Deposit

Mills must deposit a Security Deposit in the form of e-BG at the beginning of a procurement season equivalent to the MSP value of 50% of the estimated quantity of paddy to be allocated to the mills during the season.

C. Agreement with mills:

At the beginning of every procurement season, if the State Government decides to undertake paddy procurement from farmers, the Department will issue a formal notification announcing the procurement process. Along with this, rice mills will be invited to submit their willingness to participate in the milling operations for that season at the milling rates prescribed by the Government of India.

Based on the willingness received, an agreement will be executed between the Department and each participating rice miller for the milling of the allotted paddy and the delivery of Custom Milled Rice (CMR). This agreement will be signed at the start of every procurement season.

D. Role and Responsibilities of the FCS & CA Department:

The Department will:

- Identify PPCs (Procurement Centres) jointly with Agriculture & FW Department
- Estimate surplus paddy available for procurement
- Carry out preparatory work at PPCs:
    - Setup of sheds, electrical arrangements, computers, drinking water
    - Supply moisture meters, weighing scales
    - Engagement of labour and technical staff
- Issue the Procurement Notification and Procurement Calendar
- Deploy officers and technical staff to PPCs
- Assign PPCs to rice mills based on milling capacity and proximity
- Arrange transport contractors for movement of paddy and CMR
- Supply gunny bags and maintain proper records of issued/used/unused bags

E. Allocation of Paddy to Rice Mills:

Paddy will be allocated only to those rice mills that are registered, empanelled, and have executed an agreement with the Department as per the term and conditions laid down by the department at the beginning of the procurement season. Allocation will strictly follow the norms and procedures notified by the Department for that season.

To reduce transportation costs, simplify logistics, and ensure smoother operations considering the geographical terrain of Tripura, the entire State shall be divided into two procurement zones:

1. **North Zone** – comprising the districts of *North Tripura, Unakoti, Dhalai,* and *Khowai*
2. **South Zone** – comprising the districts of *South Tripura, Gomati, Sepahijala,* and *West Tripura*

As a general principle, paddy procured within a procurement zone will be milled within the same zone, and allocation will therefore be made to rice mills situated in that zone.

However, if in any season the total quantity of paddy procured in a particular zone exceeds the aggregate operational milling capacity of rice mills located in that zone, the Department shall have the authority to allocate the excess quantity to rice mills of the other zone. This will be done only to ensure that milling is completed within the stipulated timelines prescribed by the Government of India.

Principles for Paddy Allocation within a Zone

While allocating paddy to mills within a procurement zone, the Department will apply the following criteria:

1. **Operational Capacity of Mills**
    - Priority will be given to allocating paddy proportionate to the operational milling capacity of each mill, as far as practicable.
2. **Upper Limit on Allocation**
    - As a general rule, no mill shall be allocated paddy exceeding 75% of its operational milling capacity for any specific period.
    - However, in exceptional and justified circumstances—such as the need to complete milling within the time limits set by the Government of India or in the vent of the total procurement quantity exceeds the department's estimate—the Department may allocate a higher quantity.
    - In such cases, the decision will be recorded with proper justification to ensure transparency and fairness.
3. **Past Performance**
    - The Department will consider the mill's performance in previous seasons, including:
        - Timely acceptance of paddy
        - Adherence to timelines for CMR delivery
        - Compliance with quality standards
        - General operational discipline
4. **Infrastructure and Operational Readiness**
    - Mills with adequate infrastructure, manpower availability, and maintenance record may be prioritised to ensure smooth operations.

5. **Transportation Economy**

    - Paddy will be allocated keeping in view the distance between PPCs and mills, road conditions, and transportation feasibility to ensure cost-effective and efficient movement of paddy and CMR.

Clarification

The Department retains the right to take decisions on allocation in the larger interest of timely milling, operational feasibility, and compliance with Government of India timelines. Allocation made by the Department shall be final, and mills shall not claim allocation as a matter of right.

F. Inspection and Monitoring of Rice Mills:

During the entire period of the agreement executed between the Department and the rice mills, the Department shall have the right to conduct inspections to ensure compliance with the terms of the Agreement, readiness of infrastructure, and proper execution of milling operations.

Any officer duly authorised by the Director, FCS & CA Department, may visit and inspect the premises of any registered and empanelled rice mill at any time during the procurement season. These inspections may include, but are not limited to:

- Verification of milling capacity and operational readiness
- Monitoring of ongoing milling activities
- Checking quality control practices, fortification processes, and storage arrangements
- Examination of relevant documents, registers, and records relating to receipt of paddy and delivery of CMR

The rice mill shall extend full cooperation to the inspecting officers and must allow unhindered access to the mill premises, equipment, storage areas, documents, and any other records necessary, submit necessary clarification whenever asked by the Department for inspection. Failure to cooperate or denial of access may be treated as a breach of agreement and may attract action as per the provisions of this Policy.

G. Milling Rate:

Milling charges will be paid at the Government of India's stipulated rates:

- ₹10 per quintal for raw rice
- ₹20 per quintal for parboiled rice

Milling charges will be released by the department on receipt of the bills and CMR from the mills.

Mills must adhere to GoI-prescribed OTR norms:

- 67% for raw rice
- 68% for parboiled rice

H. Quantum of State Incentive:

To bridge the cost gap and ensure milling viability, the State Government will provide an incentive of:

- ₹ 85.00 per quintal for raw rice
- ₹ 98.00 per quintal for parboiled rice

These incentives will be paid in addition to the GoI milling charges.

I. Performance-Based Incentive (20%):

To promote timely and high-quality delivery, 20% of the incentive amount will be performance-linked, based on:

- Timely delivery of CMR within the stipulated schedule
- Compliance with quality standards and inspection norms
- Adherence to contractual terms and departmental guidelines

J. Submission of Bills:

After completing delivery of CMR to State Food Godowns, mills must submit bills along with:

1. Government-issued receipt invoices from PPCs
2. Truck challans for transportation of paddy
3. Delivery challans for fortified CMR
4. Consolidated day-wise monthly report on receipt of paddy and delivery of CMR

K. Release of Incentives:

The incentive amount will be released in two instalments:

- 80% after completion of CMR delivery
- 20% after verification of performance, quality compliance, and timely delivery

L. Administrative & Appellate Powers:

- The Director, FCS & CA Department shall exercise full executive authority to issue orders, guidelines, circulars, and notifications under this policy.
- The Secretary, FCS & CA Department shall function as the Appellate Authority, and their decision will be final in case of any dispute.

M. Penalty Provisions:

Delay in Milling or Delivery

If a rice mill fails to mill and deliver the allotted Custom Milled Rice (CMR) within the timeframe stipulated by the Government of India, a penalty equivalent to 10% of the MSP value of the undelivered quantity of paddy shall be imposed on the miller. The miller shall be required to deposit the penalty amount into the Government account.

If the delay in delivery exceeds 15 days beyond the stipulated schedule, the Department shall have the authority to withdraw the remaining un-milled paddy from the defaulting mill. The withdrawn paddy may be allocated to other eligible mills for completion of milling.

All expenses related to this relocation—including transportation cost, labour charges, handling charges, and any other incidental expenditure—shall be recovered from the defaulting mill. The Department may recover such costs by any method deemed appropriate, including adjustment against pending payments, forfeiture of security deposit, or any other lawful means.

Failure to comply may also attract additional action as per the provisions of this Policy.

Responsibility for Safe Custody

Mills are responsible for maintaining safe custody of:

- Government paddy
- Fortified CMR

Any loss due to theft, fire, negligence, or misappropriation will attract a penalty equal to:

- MSP value of lost stock
- + 12% interest
- + incidental charges
- + cost of transportation

- + administrative cost of procurement

The penalty determined by the Government shall be binding and cannot be contested by the miller.

Loss, Short Delivery, or Non-Compliance

In such cases, the Government may:

- Forfeit the Bank Guarantee
- Impose monetary penalties
- Take legal action as per law
- Blacklist the miller for future procurement seasons

Dated, Agartala 02.07.2026

(Sumit Lodh, IAS)
Addl. Secretary to the Govt of Tripura
Food Civil Supplies & CA Department